



City of San Diego



Fiscal Year 2011 Mid-Year Budget Monitoring Report

March 2, 2011



FY11 Mid-Year Projections

- Projected revenue and expenditures
 - General Fund
 - Other funds with staff
- Based on 6 months of actual activity
- General Fund projected surplus of \$5.1M
 - Revenue variance 0.1%
 - Expenditure variance 0.3%
- Appropriation adjustments requested for projected expenditure overages



General Fund

Summary of FY 2011 General Fund Projections (in millions)

Revenue/Expenditures	Current Budget	Year-End Projection	Variance Amount	Variance %
Projected Revenue				
Major General Fund Revenues	\$ 812.4	\$ 825.2	\$ 12.7	1.6%
Departmental Revenue	283.8	272.6	(11.2)	4.0%
Subtotal	\$ 1,096.2	\$ 1,097.7	\$ 1.5	0.1%
Projected Expenditures				
Salaries	\$ 478.6	\$ 486.2	\$ (7.6)	1.6%
Fringe and Non-Personnel	615.2	606.4	8.8	1.4%
Appropriated Reserve	2.4	-	2.4	100.0%
Subtotal	\$ 1,096.2	\$ 1,092.6	\$ 3.6	0.3%
Net Year-End Projection		\$ 5.1		



General Fund - Revenue

FY 2011 Major General Fund Revenue Projections (in millions)

Revenue Source	Current Budget	Year-End Projection	Over/(Under) Budget	Variance %
Property Tax	\$ 390.1	\$ 382.1	\$ (7.9)	2%
Sales Tax	187.5	204.4	17.0	9%
Franchise Fees	67.1	65.8	(1.3)	2%
Transient Occupancy Tax	66.1	69.1	3.0	5%
Safety Sales Tax	6.3	6.5	0.2	3%
Property Transfer Tax	4.7	4.9	0.2	5%
Motor Vehicle License Fees	3.1	3.2	0.0	0%
Other Major Revenue	87.6	89.1	1.5	2%
Total	\$ 812.4	\$ 825.2	\$ 12.7	2%



General Fund - Revenue

Comparison of FY 2011 Major General Fund Revenue Projections (in millions)							
Revenue Source		Adopted Budget		November Projection		Mid-Year Projection	
Property Tax		\$	390.1	\$	384.7	\$	382.1
Sales Tax			187.5		200.6		204.4
Franchise Fees			67.1		67.3		65.8
Transient Occupancy Tax			66.1		67.6		69.1
Safety Sales Tax			6.3		6.4		6.5
Property Transfer Tax			4.7		4.7		4.9
Motor Vehicle License Fees			3.1		2.5		3.2



Economy

- Positive
 - Moderate improvement in consumer confidence & spending
 - Moderate improvement in hotel visitor activity
 - Increase in local median home price
- Negative
 - High unemployment rate
 - Decreased number of home sales
 - Economic indicators are mixed; uncertain recovery



General Fund - Revenue

FY 2011 Significant General Fund Revenue Variances by Department (in millions)

Department	Current Budget	Year-End Projection	Over/(Under) Budget	Variance %
General Services	\$ 38.6	\$ 34.1	\$ (4.5)	12%
City Treasurer	25.8	23.2	(2.6)	10%
Fire-Rescue	15.0	17.3	2.2	15%
Engineering and Capital Projects	63.5	61.3	(2.1)	3%
Police	39.1	37.2	(1.8)	5%
Park and Recreation	27.2	26.1	(1.0)	4%



General Fund - Expenditures

FY 2011 General Fund Expenditure Projections by Category (in millions)

Expenditure Type	Current Budget	Year-End Projection	Under/(Over) Budget	Variance %
Salaries and Wages	\$ 478.6	\$ 486.2	\$ (7.6)	2%
Fringe Benefits	311.2	311.6	(0.3)	0%
Contracts	161.1	155.0	6.1	4%
Other	53.1	52.4	0.7	1%
Energy and Utilities	33.2	32.7	0.5	2%
Information Technology	26.8	26.7	0.0	0%
Supplies	22.9	21.9	1.0	4%
Debt	4.3	4.1	0.2	5%
Capital Expenditure	2.7	2.1	0.6	21%
Appropriated Reserve	2.4	-	2.4	100%
Total	\$ 1,096.2	\$ 1,092.6	\$ 3.6	0%



General Fund - Expenditures

FY 2011 Significant General Fund Expenditure Variances by Department (in millions)

Department	Current Budget	Year-End Projection	Under/(Over) Budget	Variance %
Police	\$ 384.8	\$ 389.4	\$ (4.5)	1%
General Services	63.3	59.7	3.7	6%
Fire-Rescue	181.9	185.3	(3.4)	2%
Environmental Services	32.6	34.1	(1.5)	5%
City Attorney	41.9	40.5	1.4	3%
City Planning and Community Inv.	13.6	12.5	1.1	8%
Citywide Program Expenditures	41.9	40.9	1.0	2%
Engineering and Capital Projects	66.5	67.2	(0.7)	1%



Non-General Funds

- Concourse and Parking Garages
 - Revenues \$ (0.6)M
 - Expenditures \$ 1.0 M
- Development Services
 - Revenues \$ (8.5)M
 - Expenditures \$ 5.1 M
- Fire/EMS Transportation Program
 - Revenues \$ 1.6 M
 - Expenditures \$ (1.7)M



Non-General Funds

- Fleet Services Operating
 - Revenues \$ 1.7 M
- Golf Course
 - Revenues \$ (0.8)M
- Information Technology
 - Expenditures \$ (0.9)M



Non-General Funds

- Publishing Services
 - Revenues \$ (0.9)M
 - Expenditures \$ 1.1 M
- Recycling
 - Revenues \$ 2.2 M
 - Expenditures \$ 0.8 M
- Refuse Disposal
 - Expenditures \$ 4.2 M



Non-General Funds

- Sewer Utility
 - Revenues \$ 1.5 M
 - Expenditures \$ 36.5 M
- Underground Surcharge
 - Revenues \$ (6.8)M
 - Expenditures \$ 7.3 M
- Water Utility Operating
 - Expenditures \$ 7.7 M



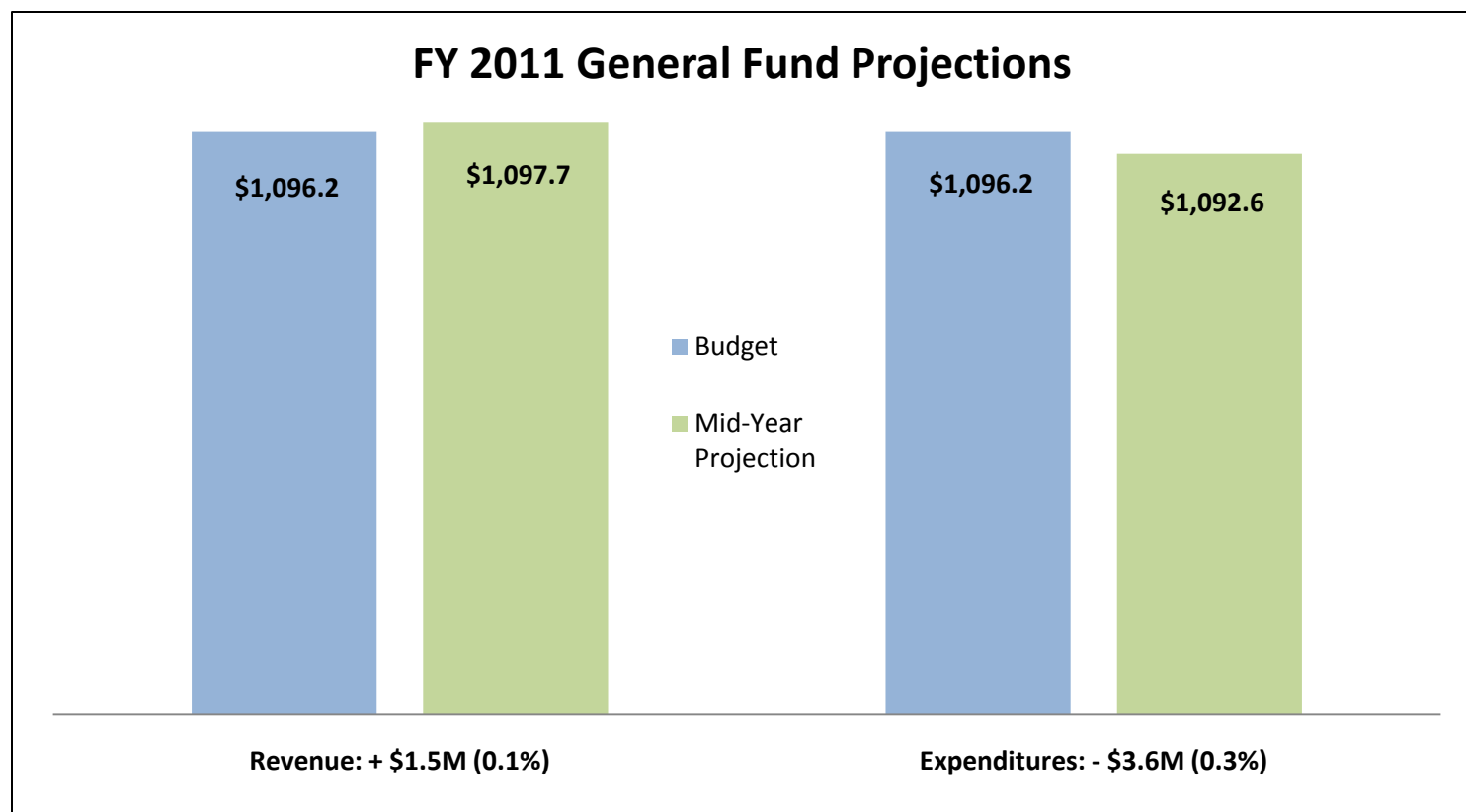
Appropriation Adjustments

FY 2011 Mid-Year Appropriation Adjustments (in millions)					
Fund/Department	Expenditures		Revenue		Net Impact
	Increase/(Decrease)				
General Fund					
Fire-Rescue	\$	3.4	\$	2.2	\$ (1.2)
Environmental Services		1.3		-	(1.3)
Appropriated Reserve		(2.4)		-	2.4
General Services		(3.3)		(3.3)	-
General Fund Total	\$	(1.0)	\$	(1.0)	\$ -
Non-General Funds					
Fire/EMS Transportation Program	\$	1.7	\$	1.6	\$ (0.1)
Information Technology		0.9		0.2	(0.7)
Capital Improvements Program					
EOC Backup Generator (S-10133)	\$	0.35			



Conclusion

- Projected slight General Fund surplus - \$5.1M





Conclusion

Use of General Fund surplus not recommended

- Very small percent variances from adopted budget
- Projection based on six months of actuals
- Economy still uncertain
- Projected deficit of \$56.7M in Fiscal Year 2012



Recommended Action

- Approve appropriation adjustments for:
 - Fire-Rescue Department
 - Environmental Services Department
 - General Services Department
 - Emergency Medical Services
 - Information Technology
 - EOC Backup Generator



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Questions?